

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor: SUZANNE M. BUMP | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

MEMORANDUM

TO: Fitchburg Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: October 27, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

JEC/jrl

Enc.





FITCHBURG RETIREMENT SYSTEM

FUNDING SCHEDULE

Fiscal Year	Normal Cost	Unfunded Liability *	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution **
2016	1,296,811	128,904,662	8,520,252	161,229	9,978,292
2017	1,351,925	129,954,971	9,063,836	161,229	10,576,990
2018	1,409,382	125,820,311	9,640,998	161,229	11,211,609
2019	1,469,281	125,415,569	10,253,796	161,229	11,884,306
2020	1,531,725	124,317,134	10,904,410	161,229	12,597,364
2021	1,596,824	122,429,036	11,595,153	161,229	13,353,206
2022	1,664,689	119,645,176	12,328,480	161,229	14,154,398
2023	1,735,438	115,848,374	13,106,995	161,229	15,003,662
2024	1,809,194	110,909,318	13,933,459	161,229	15,903,882
2025	1,886,085	104,685,440	14,810,801	161,229	16,858,115
2026	1,966,244	97,019,673	15,742,129	161,229	17,869,602
2027	2,049,809	87,739,109	16,730,740	161,229	18,941,778
2028	2,136,926	76,653,534	17,780,130	161,229	20,078,285
2029	2,227,745	63,553,839	18,894,008	161,229	21,282,982
2030	2,322,424	48,210,288	20,076,308	161,229	22,559,961
2031	2,421,127	30,370,632	21,331,203	161,229	23,913,559
2032	2,524,025	9,758,064	9,758,064	161,229	12,443,318
2033	2,631,296	0	0	161,229	2,792,525

Amortization of Unfunded Liability as of July 1, 2015

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2006	ERI2003 - City	284,849	0.0%	15	284,849	5
2016	Fresh Start	N/A	N/A	17	N/A	17

Notes on Amortization of Unfunded Liability

Year is the year the amortization base was established.

Type is the reason for the creation of the base. Examples are Gain/(Loss) or Fresh Start.

Original Amortization Amount is the annual amortization amount when the base was established.

Percentage Increasing is the percentage that the Original Amortization Amount increases per year.

Original # of Years is the number of years over which the base is being amortized.

Current Amortization Amount is the amortization payment amount for this year.

Years Remaining is the number of years left to amortize the base.

* Includes unrecognized actuarial gains of \$4,681,669 that will be recognized in Fiscal 2018

** Fresh Start amortization is set to be the amount needed to result in an adjusted payment which is 6% higher than the prior fiscal year for the next 16 years with a smaller payment in year 17.